

Department of  
Homeland Security  
United States Coast Guard



National  
Pollution  
Funds  
Center

# Year in Review

FY2001-FY2002

# Word from the Director



It is my pleasure to report on the activities of the National Pollution Funds Center (NPFC) for Fiscal Years 2001 and 2002, a particularly challenging period in our nation's history. The NPFC *Year in Review* describes and quantifies the work of the NPFC during the last two fiscal years, captures several major accomplishments during the same time, summarizes activity from the unit's inception, and offers highlights from the previous five fiscal years. Specifically, I would like to note that—

- In FY01, we allocated over \$113.5 million from the Oil Spill Liability Trust Fund (OSLTF) for response operations and paid over \$16 million in claims. In FY02, over \$78.4 million was allocated for response operations and over \$7.1 million paid to claimants.
- We made huge strides in implementing an effective Natural Resource Damage (NRD) claims program. Through the efforts of a unique interagency workgroup, we developed formal claim submission guidelines and conducted our first-ever NRD seminar to approximately 100 federal, state, and tribal members of the Natural Resource Trustee community.
- NPFC completed two major initiatives to streamline funding access procedures for our customers. **CANAPS** (Ceiling and Number Assignment Processing System) is a Web-based system that gives Federal On-Scene Coordinators (FOSCs) direct access to OSLTF resources and facilitates prompt response to spills and threats of spills to our nation's navigable waters. **E-COFR** is our first electronic payment initiative that allows Certificate of Financial Responsibility (COFR) applicants to submit and pay for their COFR applications on-line.
- We completed work on an extensive **Claims Processing System (CPS)** that employs state-of-the-art architecture and has proven to be invaluable for the tracking and processing of claims from those damaged by oil spills.
- After many years of effort, NPFC gained authority from Congress to borrow up to \$100 million in additional funding (without appropriation) from the OSLTF to augment, if necessary, the \$50 million Emergency Fund.
- NPFC also contributed directly to the response activities associated with the terrorist attacks of 9/11/2001, the anthrax cleanup efforts in the U.S. Congressional offices and in Florida, and several hurricane-related spills. Using our funding and reimbursement mechanisms, NPFC facilitated the timely allocation and reimbursement of Stafford Act funding from the Federal Emergency Management Agency (FEMA) for various Coast Guard operations.

In closing, please enjoy your copy of the NPFC *Year in Review*. NPFC looks forward to continuing to provide outstanding financial support to the environmental response community. As always, I welcome your suggestions on how we can improve any aspect of NPFC services as we strive to meet the challenges of the future.

Sincerely,

A handwritten signature in black ink that reads "Jan P. Lane".

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# Introduction

The Oil Pollution Act of 1990 (OPA) addresses the wide-ranging problems associated with preventing, responding to, and paying for oil pollution incidents in navigable waters of the United States. It does so by creating a comprehensive prevention, response, liability, and compensation regime to deal with vessel- and facility-caused oil pollution to U.S. navigable waters. OPA greatly increased Federal oversight of maritime oil transportation, while providing greater environmental safeguards. This was accomplished by setting new requirements for vessel construction and crew licensing and manning; mandating contingency planning; enhancing Federal response capability; broadening enforcement authority; increasing penalties; creating new research and development programs; increasing potential liabilities; and significantly broadening financial responsibility requirements.

Title I of OPA established new and higher liability limits for oil spills, with commensurate changes to financial responsibility requirements. It substantially broadened the scope of damages, including Natural Resource Damages (NRDs), for which polluters are liable. It also provided for the use of a \$1 billion Oil Spill Liability Trust Fund (OSLTF) to pay for expeditious oil removal and uncompensated damages. OSLTF administration was delegated to the U.S. Coast Guard (USCG) by Executive Order, and on February 20, 1991, the National Pollution Funds Center (NPFC) was commissioned to perform this function as an independent Headquarters unit reporting directly to the Coast Guard Chief of Staff.

NPFC implements the many diverse provisions established in Title I of OPA on an ongoing basis. During FY01, 919 new oil pollution cases that required Fund access for Federal response activities were opened. The total funds used from the OSLTF in that period, for all purposes administered by the NPFC, were \$138.6 million.

During FY02, 497 new oil pollution cases that required Fund access for Federal response activities were opened. The total funds used from the OSLTF in that period, for all purposes administered by the NPFC, were \$94.4 million.



# NPFC's Vision and Mission

In FY02, the NPFC updated its Vision Statement to better reflect its goals:

The NPFC aspires to be the model fiduciary manager of a Federal trust fund and the implementing agency of a premiere financial responsibility program. We realize our vision through quality, equitable, and timely customer service; innovative leveraging of technology to increase productivity; and continuous focus on our regulatory mandates, as well as our stakeholders' diverse interests.

Also in FY02, the NPFC updated its Mission Statement:

*The NPFC has fiduciary responsibility to administer the OSLTF, manage the portion of the Superfund that USCG uses, and oversee the vessel financial responsibility provisions of OPA. In accordance with OPA and other pertinent legislative mandates, the NPFC implements programs to accomplish these six objectives:*

## **1. Provide funding for federal removal actions in response to a discharge or a substantial threat of discharge of oil to navigable waters of the U.S.**

When an oil or hazardous substance spill occurs in U.S. navigable waters, or there is a substantial threat of such a spill, the Responsible Party (RP) is expected to act promptly. The NPFC maintains a system that provides funds 24 hours a day for Federal On-Scene Coordinator (FOSC) needs, either to immediately respond or to monitor the RP's cleanup activities. Funds may also be accessed by states for oil removal actions.

## **2. Compensate claimants for OPA removal costs or damages**

OPA expands the scope of damages claimants can recover and does away with the traditional admiralty shipowners' protection. Traditional protection generally limited the scope of pure economic damages to only those who owned property physically impacted by oil and often limited the extent of liability of the shipowner to the value of the ship. The NPFC compensates those who have suffered certain damages or incurred removal costs because of a discharge or a substantial threat of a discharge of oil to U.S. navigable waters.

## **3. Provide funding to natural resource trustees for natural resource damage assessment and restoration**

For oil spills affecting natural resources, trustees may choose to submit a request to conduct the initiation of a Natural Resource Damage Assessment (NRDA). This established procedure allows the trustees, acting through a Federal Lead Administrative Trustee (FLAT), to gain access to



OSLTF funds to complete these “preassessment” activities. The NPFC provides responsive adjudication of claims and distributes information to potential claimants and the public for natural resource damage claims.

#### ***4. Recover OPA removal costs and damages from RPs***

An underlying principle of OPA is to reduce the probability of an oil spill incident. The law is designed to motivate potential polluters to act more responsibly by holding them strictly liable for costs and damages resulting from oil spills into U.S. navigable waters. Such action is encouraged by enforcement of cost recovery under OPA. NPFC’s goals are to ensure that—

- Parties responsible for oil pollution or substantial threat of oil pollution are identified
- All removal costs and damages are documented accurately and submitted promptly
- RPs pay such costs and damages

#### ***5. Issue certificates of financial responsibility for vessels***

OPA substantially increased the scope and limits of liability for vessel owners and operators. Operators of U.S.- and foreign-flag vessels over 300 gross tons generally are prohibited from operating in U.S. waters without first demonstrating their financial ability to pay for pollution removal costs and damages. The NPFC is responsible for issuing vessel Certificates of Financial Responsibility (COFRs) in accordance with OPA and the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA). USCG and U.S. Customs Service field units enforce the COFR requirement. Currently, about 19,000 vessels carry COFRs issued by USCG.

#### ***6. Provide funding for USCG responses to discharges or the substantial threat of a discharge of hazardous substances***

CERCLA and the Hazardous Substance Superfund give the Federal government flexibility in identifying and addressing releases of hazardous substances and provide monies to identify, prioritize, and clean up the nation’s uncontrolled hazardous waste sites. The NPFC provides funding for removal actions from the portion of Superfund for which it has fiduciary responsibility to USCG On-Scene Coordinators (FOSCs) for incidents in the coastal zone, Great Lakes, and inland river ports.



# Who Do We Touch?

The NPFC routinely interacts with over 30,000 distinct public and private entities:

- USCG and EPA FOSC's
- 8,000 to 10,000 vessel owners and operators plus a myriad of port agents, P&I Club correspondents, and attorneys
- 2,700 RPs and their associated staffs
- 1,500 private third-party claimants (from citizens with oil on their seawall to major shipping companies)
- The environmental staff of all 50 states and their governors' offices (NPFC has letters from every coastal governor and many inland governors identifying their claims acceptance authority by name)
- All designated natural resource trustees
- All representatives on the National Response Team

Additionally, NPFC has negotiated, or is in the process of negotiating, Memoranda of Understanding (MOUs) with the U.S. Environmental Protection Agency (EPA), the National Oceanic and Atmospheric Administration (NOAA), the U.S. Navy/Supervisor of Salvage (SUPSALV), and the U.S. Army Corps of Engineers (ACOE).

## Spills

### NPFC provides funding to permit timely removal actions:

#### OSLTF

	FY01	FY02
Oil pollution cases opened	919	497
Oil pollution cases closed	545	508
Money committed from OSLTF emergency fund	\$113.6M	\$66.2M

#### NPFC recovers pollution costs and damages incurred by the Fund from RPs:

Amount billed in FY99/FY00	\$87.5M	\$57.8M
Amount recovered in FY99/FY00	\$59.9M	\$12.6M

In FY99, NPFC's gross accounts receivable (\$83 million) amounted to 42% of DOT's total accounts receivable. In FY00, NPFC's gross accounts receivable (\$76 million) amounted to approximately 50% of DOT's total accounts.

#### CERCLA

#### NPFC manages USCG's apportionment of the Superfund:

	FY01	FY02
Number of cases	208	256
Response funding for USCG FOSCs and Strike Teams	\$2.7M	\$3.3M

## Claims

### NPFC compensates claimants who demonstrate that certain damages were caused by oil pollution to U.S. navigable waters:

Received	FY01	FY02
Number	666	382
Dollar amount	\$49,518,996.97	\$9,124,197.72
Adjudicated		
Amount paid	\$23,432,374.24	\$7,111,665.19
Largest paid	\$14,922,026.00 (Buffalo Marine Service, Inc.)	\$3,051,396.43 (Seafood Processing Plant of RI)

## Litigation

### NPFC recovers oil pollution costs and damages incurred by the Fund from RPs:

NPFC's legal staff provides legal advice to NPFC Case Officers, Claims Managers, and FOSCs, prepares cases for litigation, and prepares defenses when NPFC is the subject of litigation. At the end of FY02, NPFC had—

- Fifty-nine affirmative cases (NPFC is the plaintiff) in which NPFC is seeking approximately \$50,408,129
- Two defensive cases (NPFC is the defendant) in which NPFC was asked to pay approximately \$2 million

## COFRS

### NPFC certifies the financial responsibility of vessel owners and operators:

NPFC ensures that vessels arriving in U.S. ports have enough financial resources to meet their limit of liability under OPA. NPFC approves OPA guarantors and issues COFRs to attest to the financial responsibility of the vessel owner/operator.

As the Federal OPA guarantor approval authority, NPFC approves companies and entities that provide the financial backing for vessel COFRs. For self-propelled tank vessels alone, this represents a potential OPA aggregate liability of over \$120.5 billion. Each of the 135 providers of evidence of financial responsibility undergo an annual financial recertification and review by NPFC.

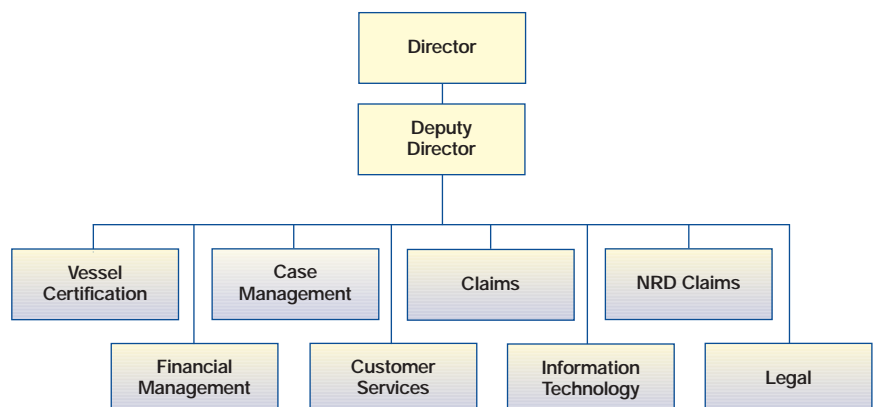
	FY01	FY02
COFRs issued	9,079	5,999
Total number valid	18,922	18,899
Total enforcement calls	1,849	1,607
Customs	683	552
USCG	1,166	1,056
Vessels detained	12	10
Vessels prevented from entering U.S. waters	5	8



# Organization

NPFC is organized into eight divisions as shown in the organizational chart below. For a list of names and telephone numbers for NPFC senior management, please refer to page 35.

- **Vessel Certification**—Issues COFRs to the operators of U.S.- and foreign-flag vessels. Receives and processes enforcement inquiries. Provides information to the field concerning the detainment and release of U.S.- and foreign-flag vessels under the certification enforcement program.
- **Case Management**—Ensures emergency funding is available to support responses to the substantial threat or actual discharge of oil or the release of hazardous substances into U.S. navigable waters. Acts as the primary point of contact with the pollution response community. Provides for accurate cost documentation and effective cost recovery.
- **Claims**—Adjudicates claims for uncompensated removal costs and OPA-specified damages from a discharge of oil or the substantial threat of discharge of oil into U.S. navigable waters.
- **NRD Claims**—Adjudicates claims for natural resource damages caused by a discharge of oil or the substantial threat of a discharge into U.S. navigable waters. (NRD claims can only be submitted by Federal, state, Indian tribe, or foreign trustees, as designated pursuant to OPA Executive Order, and Federal regulations.)
- **Financial Management**—Provides fund management and oversight for the OSLTF and Superfund. Coordinates all budgeting functions, including planning and programming. Prepares financial statements in accordance with the Chief Financial Officers Act.
- **Customer Services**—Oversees and manages all outreach activities, NPFC's strategic planning, publications programs, and Congressional and public affairs activities. Coordinates all internal and external training programs and military and civilian personnel matters.
- **Information Technology**—Operates and maintains all information technology resources. Seeks new technological opportunities to improve staff performance. Executes the Life Cycle Management plan for all automated information systems.
- **Legal**—Provides legal support for the Command, including advice on funding cleanups, adjudicating claims, cost recovery, and the legal aspects of vessel financial responsibility. Provides litigation support to the U.S. Department of Justice (DOJ).



# Case Team Concept

Although the NPFC is organized by Division, it also operates through a matrix organization centered around four Case Teams with regional responsibilities. A Regional Manager serves as the central internal coordinator and external point of contact for the pollution response community and leads each Case Team. The Case Teams are composed of Case Officers and technical experts from each functional area, including—

- A Lawyer
- A Financial Manager
- An Insurance Examiner
- A Claims Manager
- An NRD Claims Manager
- Other specialists as required

The Case Team is part of the National Response System, which consists of Federal, state, and local agencies. The Case Team works closely with the FOSC and other members of the response community. They act as a Natural Working Group (NWG) to manage all fund-related aspects of cases to ensure appropriate OSLTF/CERCLA fund access, effective cost recovery, education through outreach efforts, and resolution of other related financial issues.

At the close of FY01, the NPFC Case Teams had a total of 1,923 open cases totalling \$421 million. At the close of FY02, NPFC Case Teams had a total of 1,932 open cases totalling \$375 million.

For a list of the telephone numbers of NPFC Case Team Regional Managers and their areas of responsibility, please refer to page 36.

# The Oil Spill Liability Trust Fund (OSLTF)

## History of the Fund

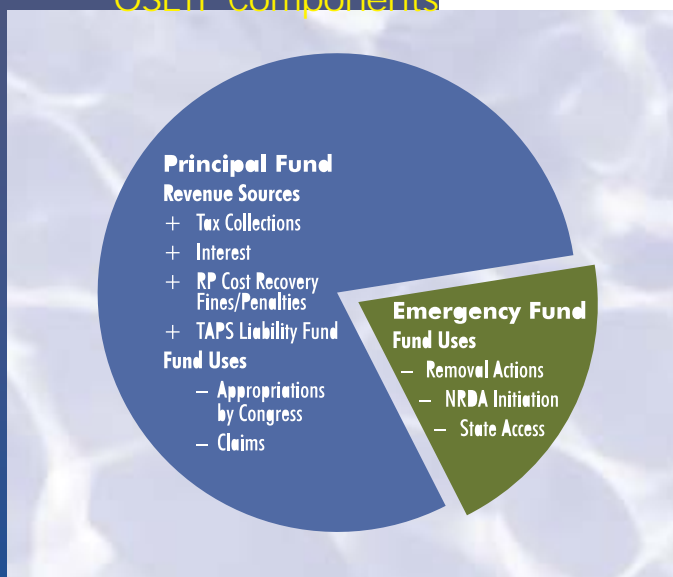
In August 1990, when President George H. W. Bush signed OPA into law and authorized use of the OSLTF, the Fund was already four years old. Congress created the Fund in 1986, but did not pass legislation to authorize the use of the money or the collection of revenue to maintain it. It was only after the *T/V Exxon Valdez* grounding and the passage of OPA that authorization was granted. In addition to authorizing use of the OSLTF, OPA consolidated the liability and compensation requirements of certain prior Federal oil pollution laws and the supporting funds, including—

- Federal Water Pollution Control Act (FWPCA)
- Deepwater Port Act
- Trans-Alaska Pipeline System (TAPS) Authorization Act
- Outer Continental Shelf Lands Act

With the consolidation of those funds and the collection of a tax on the petroleum industry, the Fund increased to \$1 billion. Fund uses were delineated by OPA to include—

- State access for removal actions
- Payments to Federal, state, and Indian tribe trustees to conduct NRDA's and restorations
- Payment of claims for uncompensated removal costs and damages
- Research and development, and other specific appropriations

## OSLTF Components



## Fund Components and Uses

The OSLTF has two major components: the Emergency Fund for removal activities and the initiation of natural resource damage assessments, and the Principal Fund for all other authorized uses. OPA requires these components to be used for separate, distinct purposes. Expenditures from the Fund for any one oil pollution incident are limited to \$1 billion, and natural resource damage assessments and claims in connection with any single incident are limited to \$500 million.

## The Principal Fund

The Principal Fund, that portion of the OSLTF exclusive of the Emergency Fund, is used primarily to carry out three functions—

- Adjudication and payment of claims for certain uncompensated removal costs and damages (appropriation from Congress not required)
- Implementation, administration, and enforcement OPA
- Research and development

The latter two uses require a Congressional appropriation.

## Revenue Sources

The OSLTF has several recurring and nonrecurring sources of revenue.

Previously, the largest source of revenue was a **5-cent per barrel tax**, collected from the oil industry on petroleum produced in, or imported to, the U.S. The tax was suspended on July 1, 1993, because the Fund reached its statutory limit. It was reinstated on July 1, 1994, but ceased on December 31, 1994, because of the “sunset” provision in the law.

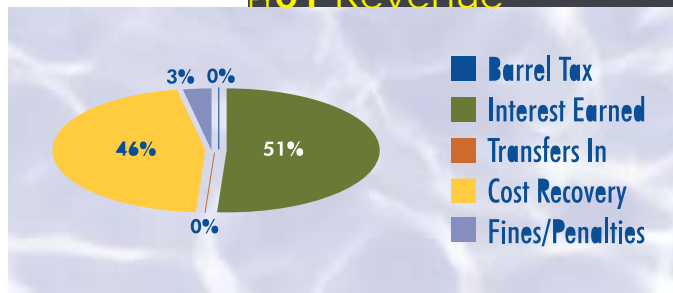
Currently, the largest recurring source of OSLTF revenue is the **interest on the Fund principal from U.S. Treasury investments**, which accounted for over \$67.6 million (or 51%) of the Fund’s revenue in FY01 and \$33 million (or 62%) in FY02.

A third source is **cost recoveries from RPs**, which accounted for about \$60 million (or 46%) of the Fund’s revenue in FY01 and \$12.6 million (or 24%) in FY02. Those responsible for oil incidents are liable for costs and damages. NPFC bills RPs to recover costs expended by the Fund. As these monies are recovered, they replenish the Fund.

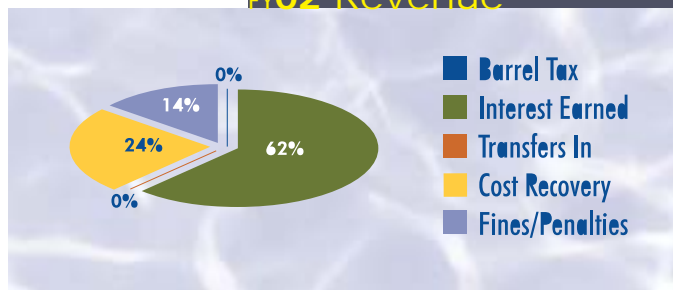
In addition to paying for cleanup costs, **RPs may incur fines and civil penalties** under OPA or the FWPCA; these payments are also deposited into the Fund. In FY01, they accounted for \$3.7 million (or 3%) of the Fund’s revenue. In FY02, they accounted for \$7.7 million (or 14%) of the Fund’s revenue.

All Trans-Alaska Pipeline System (TAPS) Liability Funds have been transferred to the OSLTF.

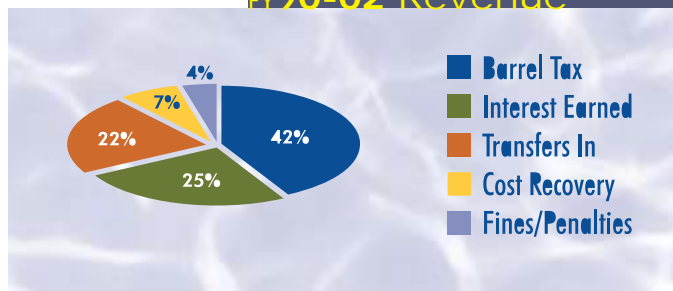
### FY01 Revenue



### FY02 Revenue



### FY90-02 Revenue



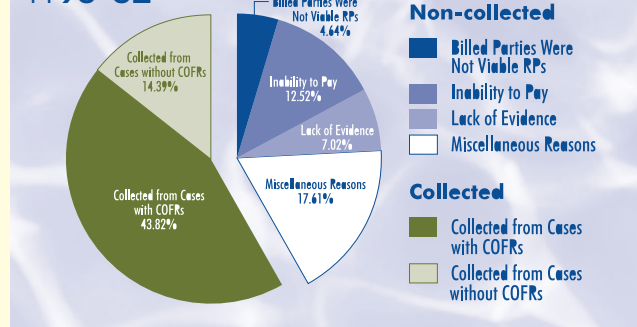
## NPFC Cost Recovery

Recovering monies spent from the OSLTF during an oil spill is a critical part of NPFC’s mission. NPFC has an aggressive billing and collection program to recover costs expended by the Fund. All monies collected are redeposited into the OSLTF to replenish the Fund. This graph shows NPFC’s cumulative billings and collections for Fiscal Years 1990–2002 for vessel- and facility-caused spills. NPFC bills RPs for what is spent from the Emergency Fund, for claims paid, and for USCG and EPA staff hours and equipment usage.

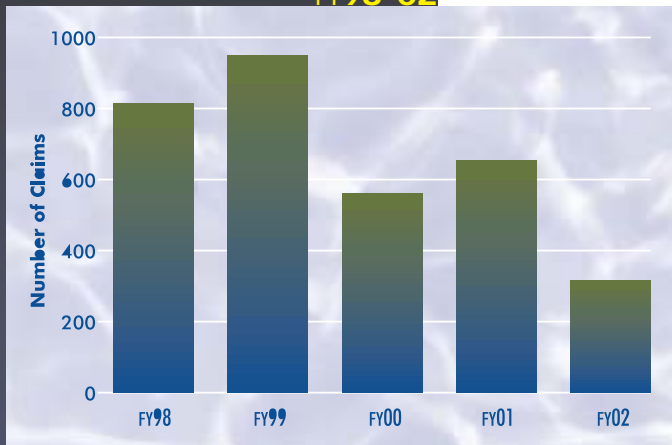
For closed billed cases (i.e., those where NPFC has fully collected or has made every attempt to do so), NPFC has collected about 58% of these costs. A large portion of collections, shown here in green, were facilitated by access to the RP’s COFR.

NPFC has not collected on 42% of costs for various reasons: a lack of sufficient evidence to successfully litigate or otherwise compel the RP to pay; the RP is bankrupt, deceased, or otherwise unable to pay; and, especially on smaller cases, NPFC is unable to find a viable RP.

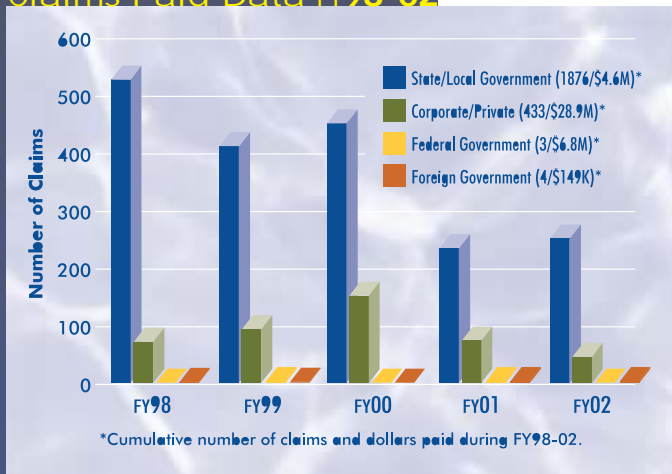
## Cost Recovery Results on Closed Billed Cases FY90-02



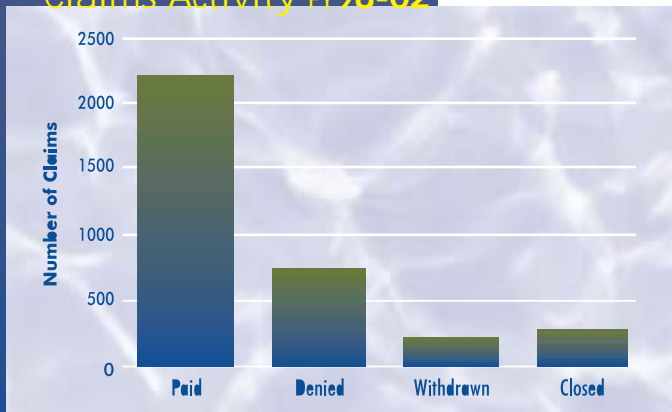
## Claims Submissions FY98-02



## Claims Paid Data FY98-02



## Claims Activity FY98-02



## Claims

To centralize the OSLTF claims process, USCG received an unlimited delegation of authority from the President to adjudicate claims presented to the OSLTF. This authority was further delegated to the NPFC on March 12, 1992. The NPFC's claim procedures attempt to strike a reasonable balance between the objectives of compensating deserving claimants and acting as a fiduciary for the Fund by ensuring that the funds are spent properly. Before claimants can be compensated, they must satisfy the statutory requirements of OPA. For example, the incident must involve a discharge of oil, or a substantial threat of a discharge, into U.S. navigable waters, and the claim must be submitted within express time periods (three years for damages, six years for removal costs). Additionally, a claimant must claim a damage or removal cost compensable under OPA and must have first presented the claim to the RP or guarantor except in certain circumstances.

The most common claim type received by the NPFC is removal cost claims. These claims may be submitted by any person who has incurred costs for removal actions that are consistent with the National Contingency Plan (NCP). Removal cost claimants include state governments, putative RPs who can show that the oil came from another source, cleanup contractors who have not been paid by the hiring RP, and members of the public who have discovered a spill and responded to the need for cleanup. In all instances, the removal activity should be coordinated with the FOSC for purposes of establishing that there was a discharge or substantial threat of a discharge of oil into navigable waters and that the actions taken were consistent with the NCP. The NPFC will reimburse the reasonable uncompensated cost of oil removal. NPFC has installed a toll-free number for use by claimants: (800) 280-7118.

All claims submitted to the NPFC must first be submitted to the RP, generally the owner or operator of the source of the discharge or substantial threat of discharge of oil into the navigable waters of the U.S. One exception to this is that state governments may submit claims for uncompensated removal costs directly to the NPFC. As a result of this exception, the NPFC Removal Claims Branch has been able to develop an expedited claims procedure for state governments. The state government representatives and the NPFC claims representatives reach agreement ahead of time on the evidence to be submitted by the state, the labor and equipment rates to be used in all responses, and the level of coordination required with the FOSC. In some cases, this process has shortened the adjudication time for state government claims to less than a week. Other exceptions allow a claim to be presented directly to the Fund when the Fund advertises for such claims or when an RP presents a claim based on an OPA defense or liability limit.



During FY01, the NPFC paid 311 claims and 299 claims in FY02 to various states, trustees, corporations, and private citizens. When there is an identified RP, claims payments and government adjudication costs are included in the billing and cost recovery process.

The charts on page 11 show the number of claims submitted to and paid by the NPFC from FY98 - FY02.

The claims activity chart on page 11 shows the status as of the end of FY02.

The charts to the right represent the total number of claims received, paid, denied, withdrawn, and closed during FY01 and FY02. A brief explanation of each claim category follows:

**Received:** Claims that were submitted to NPFC.

**Paid:** Claims paid either in full or in part.

**Denied:** Claims that fail to meet the statutory or regulatory requirements, or that fail to meet the burden of proof. Examples include claims for damages that do not result from a discharge of oil into navigable waters of the United States, or claims for losses that are speculative or unsubstantiated by the accompanying documentation.

**Withdrawn:** Claims withdrawn by the claimant. The claimant may still retain the right to resubmit the claim within the statutory period.

**Closed:** Claims closed by NPFC for administrative purposes, such as those claims that are the subject of pending litigation.

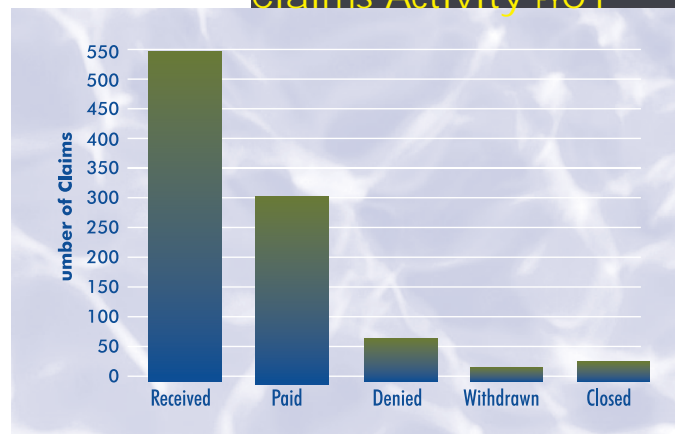
## The Emergency Fund

To ensure rapid, effective response to oil spills, the President has the authority to make available, without Congressional appropriation, up to \$50 million each year to fund removal activities and initiate NRDAs. Funds not used in a Fiscal Year are available until expended. The graph to the right shows Emergency Fund usage including new cases, ceiling increases for cases opened in prior years, and site-specific interagency agreements with EPA, from FY98-FY02.

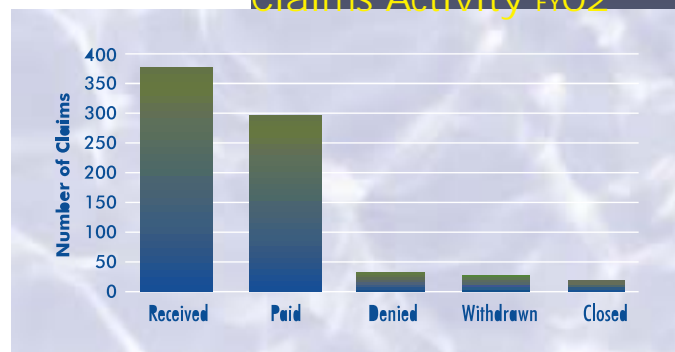
## Removal Actions

The OSLTF provides funding for oil pollution removal activities when oil is discharged into the navigable waters, adjoining shorelines, and the Exclusive Economic Zone of the U.S. Funding is also provided to prevent or mitigate the substantial threat of such an oil discharge. The Emergency Fund may be used for the following types of removal activities and costs. The list includes, but is not limited to—

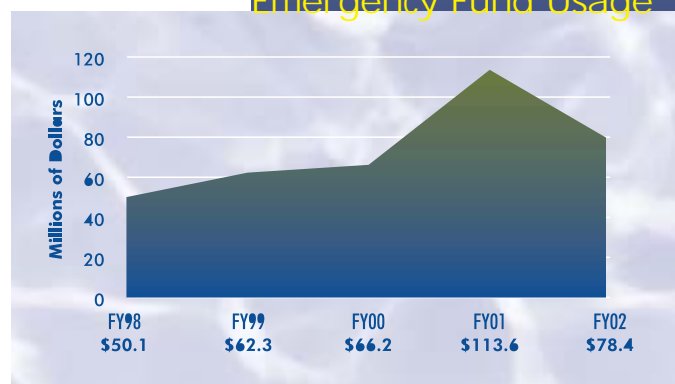
### Claims Activity FY01



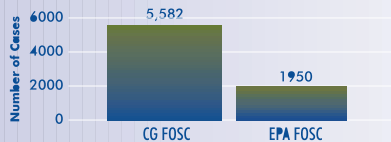
### Claims Activity FY02



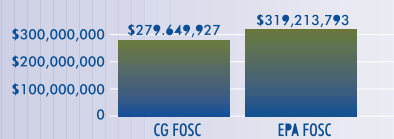
### Emergency Fund Usage



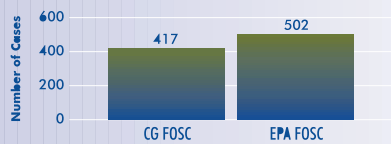
## FY90-02 Number of Cases



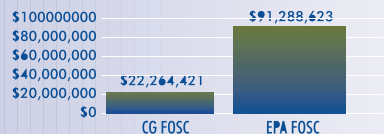
## FY90-02 Funding for Cases



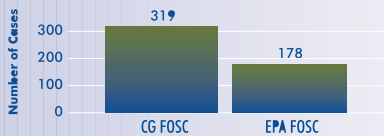
## FY01 Number of Cases



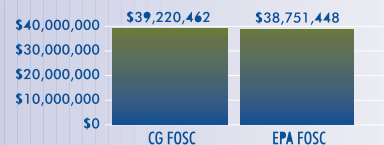
## FY01 Funding for Cases



## FY02 Number of Cases



## FY02 Funding for Cases



- Containing and removing oil from water and shorelines
- Preventing or minimizing a substantial threat of discharge
- Monitoring the activities of RPs

### Removal Costs

Examples of removal costs include the cost of—

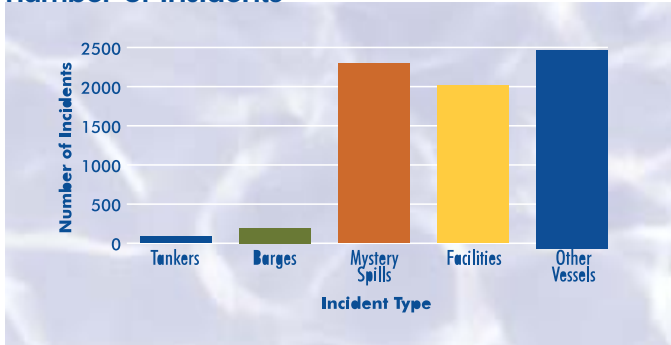
- Contract services (e.g., cleanup contractors)
- Equipment used in removals
- Chemical testing required to identify the type and source of oil
- Proper disposal of recovered oil and oily debris
- Costs for Government personnel and temporary Government employees hired for the duration of the spill response
- Completion of documentation
- Identification of RP(s)

USCG has responsibility for removal actions in the coastal zone, while EPA has responsibility in the inland zone. The charts on the left provide a breakdown of USCG and EPA cases opened during FY01 and FY02 and a cumulative perspective. While the number of USCG cases has remained relatively stable over the past few years, EPA cases have shown an increase in both the number of new cases opened and the corresponding dollar amounts. It is important to note that these cases do not represent all cases where oil is spilled, but only those incidents where the OSLTF was accessed and a Federal Project Number was assigned to the case.

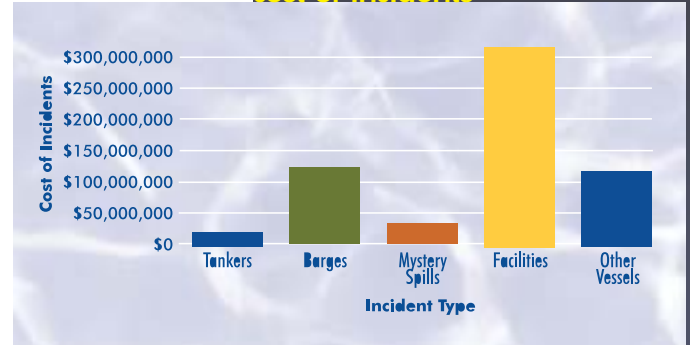
### Removal Actions by Type (Emergency Fund)

Breaking down the data in the charts even further, the graphs on page 14 show the historical number and cost of incidents, by type, for the period FY01–FY02. In FY 01, the source of the majority of incidents was “facilities” (e.g., abandoned/operating oil wells, refineries, tank farms, pipelines, etc.), “other vessels” (e.g., fishing vessels, recreational vessels), and “mystery spills” (e.g., the source of the spill is unknown). In FY 02, “facilities” and “other vessels” were tied as the source of the majority of incidents, with “mystery spills” as the third largest source.

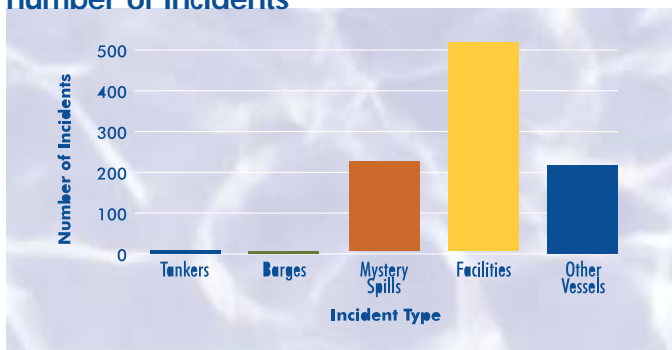
Emergency Fund Usage  
by Category FY90-02  
number of incidents



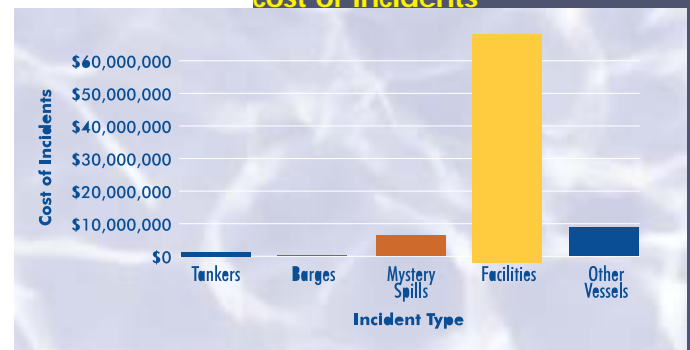
Emergency Fund Usage  
by Category FY90-02  
cost of incidents



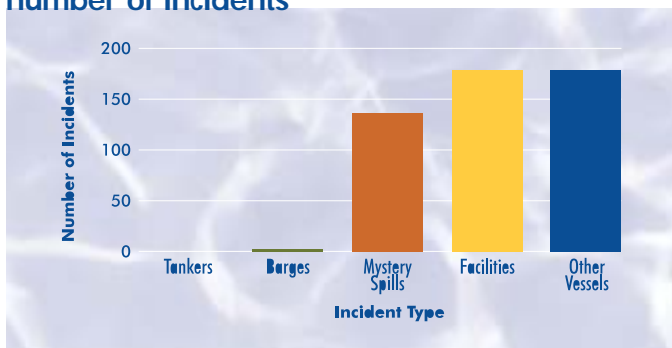
Emergency Fund Usage  
by Category FY01  
number of incidents



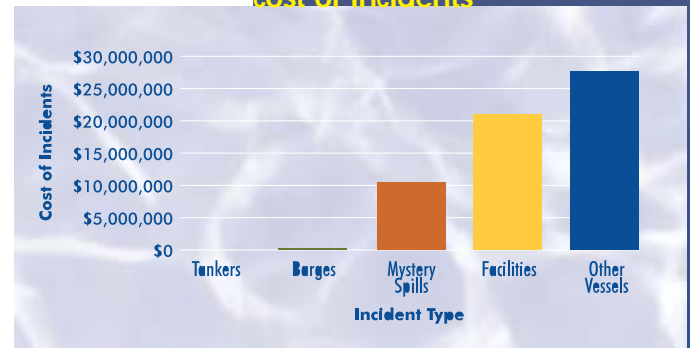
Emergency Fund Usage  
by Category FY01  
cost of incidents



Emergency Fund Usage  
by Category FY02  
number of incidents



Emergency Fund Usage  
by Category FY02  
cost of incidents



## NRDA Initiate Requests

In response to an OPA incident, the Emergency Fund can be used to pay for the Initiation of Natural Resource Damage Assessments (INRDA) conducted by designated natural resource trustees. In the preassessment phase, outlined in 15 CFR 990, Subpart D, trustees must determine jurisdiction, undertake preliminary data collection, assess the effectiveness of the response, identify feasible restoration measures, and provide a notice of intent to conduct restoration planning. The NPFC and the FLAT will execute an Inter-Agency Agreement (IAG) for each OPA incident requiring funds for preassessment phase activities involved in the initiation of an NRDA. The FLAT submits a request for the initiation on behalf of the affected Federal, state, Indian tribe, or foreign trustees to the NPFC NRD Claims Division who assigns a NRD claims manager to coordinate access to the OSLTF. The claims manager ensures that the FOSC is notified that preassessment phase activities are being performed for the incident.

As designated by OPA, natural resource trustees include authorized representatives from the U.S. Departments of Commerce (NOAA), Interior, Defense, Agriculture, and Energy, as well as from states, Indian tribes, and foreign trustees. Executive Order 12777 limits payments to the five Federal trustees that may act to allocate funds for preassessment activities among all affected trustees. The “Inter-Agency Agreement to Initiate the Assessment of Natural Resource Damages” is reviewed by the NRD Claims Division to ensure conformity with OPA requirements, applicable Federal regulations, and NPFC operating procedures.

While the criteria for funding eligibility remain the same, the NPFC does not impose absolute time limits on Federal trustees for NRDA Initiate IAGs. The length of time depends on the particular situation and is determined jointly by NPFC and the trustees. In FY00 and FY01, there were no new Initiate requests. In FY02, NPFC received three Initiate requests totaling \$479,230.

## State Access

State access to the OSLTF is provided by OPA and is a process through which states can directly receive Federal funds for immediate removal costs in response to an actual or substantial threat of a discharge of oil, after coordination with and approval by the FOSC. In accordance with OPA, states are limited to \$250,000 per incident for removal costs, consistent with the NCP. State access does not supersede or preclude the use of other Federal payment regimes. States may also obtain Federal funding for oil spill removal actions by acting as a contractor to the FOSC or by using the claims process. Neither of these methods is subject to the \$250,000 limit per incident. No state access requests were received in FY01 or FY02.

## Use of OSLTF by State

The table on the following page reports OSLTF costs by state for the last five years (FY98 through FY02). These are cases opened by either Coast Guard or EPA Federal On-Scene Coordinators (FOSCs) or through claims submitted by third parties who suffered OPA damages as a result of an oil spill to navigable waters of the U.S. What is remarkable about the table is the extent of federal oil spill spending throughout the U.S. and its territories. Every state but Nevada had federally funded oil spill removals or claims during this period. In short, every state and territory is at risk for oil spills.

Some patterns seemingly make sense: Alaska, California, Louisiana, and New York are big coastal states with significant oil transport and production. It follows that they have many spills that require federal funds. Others are not as obvious: Illinois, Indiana, Kansas, Kentucky, Oklahoma, and West Virginia are nearly landlocked, but are the site of significant abandoned oil production wells and facilities that are now being cleaned up by the OSLTF. Thirty-four states (out of 57 states, territories, and possessions) had combined OSLTF costs that exceeded \$1 million during this period. Clearly, the Federal Response mechanism, the National Contingency Plan, and the Oil Spill Liability Trust Fund provide a significant benefit to all states that face the operational and financial burden of responding to oil spills to their navigable waters and shorelines.





## Oil Spill Response Funds FY98-FY02

States <sup>1</sup>	1998	1999	2000	2001	2002	TOTAL
AK	\$5,708,806	\$1,317,040	\$636,276	\$4,768,614	\$990,394	\$13,421,130
AL	\$101,774	\$25,055	\$121,474	\$54,087	\$266,562	\$568,952
AR	\$3,140	\$10,000	\$668,000	\$1,755,040		\$2,436,180
AS	\$114,493	\$17,164,861	\$30,976	\$81,878	\$32,000	\$17,424,207
AZ			\$50,000	\$270,000	\$75,000	\$395,000
CA	\$5,253,804	\$5,001,182	\$713,247	\$1,852,076	\$20,444,298	\$33,264,606
CO	\$87,971	\$298,245	\$96,289	\$220,000	\$278,500	\$981,004
CT	\$110,441	\$20,819	\$1,687,146	\$207,531	\$55,000	\$2,080,937
DC	\$11,837	\$11,304	\$11,296			\$34,437
DE	\$17,373	\$57,400	\$300,000	\$290,423		\$665,196
FL	\$164,553	\$592,833	\$2,333,217	\$678,853	\$1,968,528	\$5,737,984
FM		\$174				\$174
GA	\$44,263	\$82,103	\$187,392	\$44,633	\$337,266	\$695,658
GU	\$35,423	\$108,740	\$50,000	\$15,000	\$225,000	\$434,163
HI	\$193,536	\$614,987	\$2,195,564	\$209,724	\$725,935	\$3,939,746
IA	\$1,550,000		\$360,666	\$50,000	\$40,000	\$2,000,666
ID	\$960,000	\$60,000	\$60,000	\$142,150	\$190,000	\$1,412,150
IL	\$1,796,894	\$1,587,975	\$1,052,017	\$386,675	\$1,998,262	\$6,821,823
IN	\$2,692,348	\$755,899	\$381,612	\$481,708	\$101,928	\$4,413,495
KS	\$7,884,190	\$79,877	\$1,969,463	\$20,000	\$250,000	\$10,203,531
KY	\$125,277	\$5,615,650	\$2,031,160	\$7,762,298	\$177,000	\$15,711,386
LA	\$3,055,055	\$8,630,172	\$9,540,294	\$51,849,842	\$6,875,601	\$79,950,964
MA	\$2,485,112	\$69,162	\$344,134	\$312,712	\$222,450	\$3,433,570
MD	\$23,085	\$18,046	\$5,058,029	\$475,830	\$486,000	\$6,060,990
ME	\$51,484	\$9,998	\$1,453,533	\$25,000	\$245,000	\$1,785,015
MH				\$50,000		\$50,000
MI	\$1,759,999	\$137,877	\$102,555	\$1,172,318	\$6,952,778	\$10,125,527
MN	\$2,345	\$9,378		\$0	\$10,000	\$21,723
MO	\$312,940	\$20,283	\$218,397	\$119,262	\$25,000	\$695,881
MS	\$95,668	\$73,238	\$1,090,283	\$389,191	\$337,604	\$1,985,984
MT		\$229,078		\$210,000	\$205,000	\$644,078
NC	\$121,722	\$366,284	\$260,010	\$141,088	\$185,000	\$1,074,104
ND				\$105,000		\$105,000
NE		\$40,074	\$14,395	\$18,000	\$1,510,000	\$1,582,469
NH	\$24,684	\$95,617	\$9,323	\$22,442	\$370,000	\$522,066
NJ	\$86,762	\$52,018	\$566,195	\$35,371	\$292,888	\$1,033,234
NM	\$12,779	\$7,553		\$10,000	\$15,000	\$45,332
NV						\$0
NY	\$896,844	\$526,581	\$449,122	\$38,713,149	\$71,000	\$40,656,696
OH	\$174,320	\$4,034,568	\$416,363	\$281,364	\$4,515,000	\$9,421,616
OK	\$1,487,563	\$143,733	\$1,858,964	\$282,132	\$319,635	\$4,092,027
OR	\$163,995	\$7,899,615	\$126,179	\$634,493	\$142,000	\$8,966,282
PA	\$2,691,844	\$1,552,090	\$1,671,914	\$2,206,314	\$276,000	\$8,398,162
PR	\$247,843	\$31,929	\$1,687,112	\$721,991	\$350,500	\$3,039,376
RI	\$257,767	\$106,958	\$96,264	\$100,000	\$84,000	\$644,989
SC	\$0	\$63,424	\$21,200	\$9,252	\$1,232,000	\$1,325,876
SD				\$85,000		\$85,000
TN	\$24,636	\$362,766	\$138,135	\$120,505	\$2,364,277	\$3,010,319
TX	\$639,346	\$860,394	\$781,734	\$2,909,791	\$559,306	\$5,750,570
UT		\$8	\$80,000	\$65,000	\$95,000	\$240,008
VA	\$71,135	\$37,857	\$191,515	\$48,859	\$94,484	\$443,851
VI	\$6,216	\$17,361		\$9,956		\$33,533
VT			\$1,507,500	\$25,000		\$1,532,500
WA	\$106,006	\$855,521	\$438,498	\$579,088	\$1,733,958	\$3,713,071
WI	\$19,257		\$1,488	\$28,397		\$49,142
WV	\$1,089,841	\$36,132	\$1,840,648	\$993,834	\$960,000	\$4,920,455
WY	\$78,408	\$10,000		\$622		\$89,030

<sup>1</sup> Includes District of Columbia, U.S. Territories

## Significant Cases FY98-02

Each year, several large cases predominate in total costs incurred for that particular year (e.g., cases exceeding \$350,000 in removal costs and claims). Cases meeting this criterion are listed in the tables below, and most are still pending cost recovery. Amounts for many of the cases are preliminary.

FPN	NAME	TOTAL COSTS	SOURCE OF SPILL	FOSC
<b>1998 Cases</b>				
088040	MID-AMERICA OIL REF - 088040	\$7,489,740	Facility	EPA Region 7
178010	M/V KUROSHIMA-178010	\$5,307,060	Vessel	Anchorage-33280
018504	W&S LAUNDRY #2 - 018504	\$2,353,465	Facility	EPA Region 1
058010	LEHMAN SUNOCO GAS - 058010	\$2,155,000	Facility	EPA Region 3
098022	INDUSTRIAL HWY - 098022	\$1,849,532	Facility	EPA Region 5
088052	DILLMAN OIL SITE - 088052	\$1,766,246	Facility	EPA Region 5
098003	CRYSTAL REFINERY - 098003	\$1,341,856	Facility	EPA Region 5
118032	M/V COMMAND - 118032	\$1,256,909	Vessel	San Francisco-33260
118004	M/V KURE-118004	\$1,250,000	Vessel	San Francisco-33260
138021	PAYLESS GAS-138021	\$1,188,268	Facility	EPA Region 10
088081	HUDSON OIL REFINERY - 088081	\$1,141,608	Facility	EPA Region 6
088276	A-1 SEPTIC SRVC - 088276	\$1,100,000	Facility	EPA Region 7
088049	MINDEN AIRPORT - 088049	\$1,056,455	Facility	EPA Region 6
118006	MYSTERY SPILL-118006	\$962,146	Mystery	San Francisco-33260
088003	OR 176 OIL WELLS - 088003	\$740,000	Facility	EPA Region 3
118012	MYSTERY SPILL-118012	\$700,000	Mystery	San Francisco-33260
098004	UNROYAL PLASTICS & CHEM-098004	\$579,790	Facility	EPA Region 5
118002	MYSTERY SPILL-118002	\$550,000	Mystery	San Francisco-33260
118005	F/V LADY CHRISTINE-118005	\$450,000	Vessel	LA/LB-33261
088242	IOWA SANITATION ENVIRO.-088242	\$450,000	Facility	EPA Region 7
018600	MATT PETROLEUM CO. - 018600	\$435,987	Facility	EPA Region 2
088107	M/V FLORIDA SEA HORSE-088107	\$425,221	Vessel	Morgan City-33293
088189	VERMILLION BAY BARGES - 088189	\$413,684	Facility	Morgan City-33293
<b>1999 Cases</b>				
H99024	F/V YU TE NO. 1 - H99024	\$7,542,177	Vessel	Honolulu-33275
S99018	M/V NEW CARISSA - S99018	\$7,403,024	Vessel	Portland, OR-33270
A99038	WESTLEY TIRE FIRE-A99038	\$3,496,310	Facility	EPA Region 9
H99025	F/V AMIGA NO. 5 - H99025	\$3,400,000	Vessel	Honolulu-33275
G99032	LAKE UNDERGROUND - G99032	\$1,800,000	Facility	EPA Region 5
H99020	F/V KWANG MYONG NO 72 - H99020	\$1,780,000	Vessel	Honolulu-33275
N99122	FORD FIELD OIL WELLS - N99122	\$1,602,830	Facility	EPA Region 4
N99188	O'NIELL OIL- WEST DUET-N99188	\$1,500,000	Facility	EPA Region 6
N99259	M/V UNION FAITH- N99259	\$1,500,000	Vessel	New Orleans-33292
N99072	ABERCROMBIE WELL NO. 1 -N99072	\$1,340,000	Facility	EPA Region 6
N99073	BARGE BAYOU ZACHARY- N99073	\$1,340,000	Vessel	EPA Region 6
N99274	KIRBY TIRE RECYCLING - N99274	\$1,206,918	Facility	EPA Region 5
P99013	ONOFRIO ESTATE	\$1,194,713	Facility	EPA Region 3
N99124	POOLE FIELD OIL WELLS - N99124	\$1,191,898	Facility	EPA Region 4
N99123	SEBREE FIELD WELLS - N99123	\$1,150,000	Facility	EPA Region 4
H99018	F/V KWANG MYONG NO 58 - H99018	\$1,145,000	Vessel	Honolulu-33275
H99019	F/V KWANG MYONG - H99019	\$1,135,000	Vessel	Honolulu-33275
H99022	F/V KORAM NO. 3 - H99022	\$985,000	Vessel	Honolulu-33275
N99120	OKLAHOMA FIELD WELLS - N99120	\$981,000	Facility	EPA Region 4
H99021	F/V KORAM NO 1 - H99021	\$960,000	Vessel	Honolulu-33275
H99017	F/V KWANG MYONG #51 - H99017	\$790,000	Vessel	Honolulu-33275
N99269	ABANDONED OIL REFINERY-N99269	\$747,600	Facility	EPA Region 5
G99026	TRINIDAD PAVING CO - G99026	\$727,000	Facility	EPA Region 5

N99135	CHAIN OIL & GAS -N99135	\$640,000	Facility	EPA Region 6
N99255	20 HOUSE BOATS & P/C - N99255	\$624,417	Vessel	EPA Region 4
N99121	DEAN FIELD OIL WELLS - N99121	\$590,000	Facility	EPA Region 4
H99023	F/V KORBEE NO. 7 - H99023	\$540,000	Vessel	Honolulu-33275
A99035	M/V STUYVESANT - A99035	\$500,000	Vessel	San Francisco-33260
N99034	LEAKING U/G WELLS - N99034	\$460,500	Facility	EPA Region 5
N99109	WESTEN OIL & GAS INC.	\$454,114	Facility	Morgan City-33293
N99102	FIREBALL PRODUCTION - N99102	\$435,918	Facility	EPA Region 5
J99051	M/V WILDERNESS ADV - J99051	\$427,554	Vessel	Juneau-33281
<b>2000 Cases</b>				
P00056	PATUXENT RIVER SPILL - P00056	\$5,000,000	Facility	EPA Region 3
N00235	O'NIELL OIL CO - N00235	\$2,000,000	Facility	Morgan City-33293
M00023	DREDGING OPERATIONS - M00023	\$1,932,657	Mystery	Tampa-33230
N00017	PARAWAX, OKLAHOMA CIT - N00017	\$1,791,845	Facility	EPA Region 6
N00260	PITCHER PROPERTY SITE - N00260	\$1,768,500	Facility	EPA Region 7
H00016	F/V SWORDMAN I - H00016	\$1,625,000	Vessel	Honolulu-33275
N00023	HACKBERRY PITS - N00023	\$1,544,000	Facility	EPA Region 6
M00016	M/V SERGO ZAKARIADZE - M00016	\$1,500,000	Vessel	San Juan-33239
P00071	MCCRACKEN FARM - P00071	\$1,294,126	Facility	EPA Region 3
B00400	F/V JESSICA ANN - B00400	\$955,000	Vessel	Portland, ME-33285
N00261	O'NIELL TANK BATTERY - N00261	\$950,000	Facility	Morgan City-33293
B00501	ALICE TERRACE - B00501	\$900,000	Facility	EPA Region 1
N00211	STANLEY FIELDS - N00211	\$890,000	Facility	EPA Region 4
N00241	MORGAN FIELD - N00241	\$830,000	Facility	EPA Region 4
N00149	WHEELING PIT STEEL - N00149	\$781,750	Facility	EPA Region 5
N00218	ALADDIN-EDGEWOOD LAND & LUMBER	\$770,000	Facility	EPA Region 6
N00109	BLACK BAYOU SPILL- N00109	\$750,000	Mystery	EPA Region 6
B00505	MYSTERY SPILL - B00505	\$750,000	Mystery	EPA Region 1
N00297	BARRETT REFINERY - N00297	\$700,000	Facility	EPA Region 4
N00193	MORO BAY OIL PIT SITE - N00193	\$654,835	Facility	EPA Region 6
N00146	GULF FEE LEASE SITE - N00146	\$620,000	Facility	EPA Region 6
N00148	W. E. WALKER T.B. #1- N00148	\$600,000	Facility	EPA Region 6
H00013	MYSTERY SPILL - H00013	\$501,538	Mystery	EPA Region 9
B00403	P/C ROSE OF SHARON - B00403	\$487,048	Vessel	Portland, ME-33285
N00147	ALADDIN-EDGEWOOD # 4-N00147	\$440,000	Facility	EPA Region 6
N00245	ST CLAIR OIL SITE - N00245	\$400,000	Facility	EPA Region 5
B00506	BARRE COAL TAR SITE - B00506	\$400,000	Facility	EPA Region 1
A00028	CONNEX OIL CO. A00023	\$400,000	Facility	EPA Region 9
N00138	FLOYD COUNTY TIRE FIRE -N00138	\$360,000	Facility	EPA Region 7
<b>2001 Cases</b>				
J01030	F/V WINDY BAY - J01030	\$4,000,000	Vessel	Valdez-33283
N01038	O'NIELL ABAN FACILITY - N01038	\$3,750,000	Facility	Morgan City-33293
N01522	ED I. ESTIS-BL SMITH - N01522	\$3,750,000	Facility	EPA Region 6
N01144	TILLMAN ROUSSE/O'NIELL -N01144	\$2,750,000	Facility	Morgan City-33293
N01177	LEAKING STORAGE TANKS - N01177	\$2,000,000	Facility	EPA Region 4
N01355	ABANDONED REFINERY - N01355	\$1,750,000	Facility	EPA Region 6
P01025	BRYNER-FOX FARM - P01025	\$1,573,725	Facility	EPA Region 3
N01049	OAKS OIL FIELD - N01049	\$1,444,805	Facility	EPA Region 4
N01025	VINTON PITS & TANK BATTERY	\$1,284,865	Facility	EPA Region 6
N01313	TROPICAL STORM ALLISON-N01313	\$1,222,108	Mystery	Houston-33244
N01053	ALZEY OIL FIELD - N01053	\$1,214,000	Facility	EPA Region 4
N01150	CAMBRIDGE ENERGY OIL SPILL	\$1,200,227	Facility	EPA Region 6
G01015	LAKESIDE REFINERY - G01015	\$1,025,000	Facility	EPA Region 5
N01065	T/V WESTCHESTER - N01065	\$1,000,001	Vessel	New Orleans-33292
N01111	NEW CENTRAL BATTERY #1	\$965,000	Facility	EPA Region 6
N01225	LISBON OIL & GAS FIELD	\$928,000	Facility	EPA Region 6
N01021	ALADDIN EDGEWOOD BATTERY #2	\$925,000	Facility	EPA Region 6
N01135	RIVERBEND FLOWLINE - N01135	\$890,066	Facility	Morgan City-33293
N01086	MIN LSE SW- ABNEY-K'PATRICK	\$821,000	Facility	EPA Region 6

N01051	TOUCHEA OIL FIELD - N01051	\$750,000	Facility	EPA Region 4
M01075	M/V KIMTON - M01075	\$705,281	Vessel	San Juan-33239
N01054	PRISSY OIL FIELD - N01054	\$695,000	Facility	EPA Region 4
B01004	BAY TERRACE COOP SECTION X, IN	\$675,000	Facility	New York-73136
N01127	WATKINS TANK BATTERY #1	\$670,000	Facility	EPA Region 6
N01428	D.J. PROD-OK ALLEN HEIRS FAC	\$666,617	Facility	EPA Region 6
N01160	2ND RECOVERY-MCFATTER NO.1	\$620,011	Facility	EPA Region 6
N01084	MA SI-LINEPSU HENRY A TNK BTTR	\$600,000	Facility	EPA Region 6
N01085	WOODARD TANK BTTRY-AYCOCK, LA	\$600,000	Facility	EPA Region 6
N01050	MIDNIGHT OIL FIELD - N01050	\$593,005	Facility	EPA Region 4
N01056	PLANES MARKETING - N01056	\$550,000	Facility	EPA Region 6
N01113	JP OWENS TANK BATTERY #1	\$550,000	Facility	EPA Region 6
A01026	LA RIVER SEEPS - A01026	\$550,000	Mystery	EPA Region 9
N01022	DAISY P. KANOUSE TANK BATTERY	\$537,000	Facility	EPA Region 6
N01029	O'NIELL PROD FACILITY-N01029	\$500,000	Facility	Morgan City-33293
N01231	LEE OIL FIELD - N01231	\$500,000	Facility	EPA Region 4
N01412	CARDINAL PETRO-URANIA FAC	\$480,000	Facility	EPA Region 6
N01079	DOUBLE EAGLE MIN-E R DORIAN	\$470,000	Facility	EPA Region 6
N01484	RIVER BEND OPERATING - N01484	\$465,000	Facility	EPA Region 6
N01126	TRANS-GULF LOWERY TANK BAT #3	\$451,000	Facility	EPA Region 6
N01081	HUSSEY NO. 6 TNK BATTRY	\$450,000	Facility	EPA Region 6
N01082	OIL SEEP - LA HIGHWAY 157	\$450,000	Mystery	EPA Region 6
N01139	RECOVERY TRENCH - N01139	\$450,000	Facility	EPA Region 6
N01024	LONG BELL TANK BATTERY #1	\$441,899	Facility	EPA Region 6
N01114	STATE LSE 410 WATKINS #2	\$430,206	Facility	EPA Region 6
J01027	F/V VANGUARD - J01027	\$401,119	Vessel	Valdez-33283
N01128	L.A. MILLER TANK BATTERY #1	\$380,000	Facility	EPA Region 6
N01129	C.RUTHERFORD TANK BATTERY #1	\$380,000	Facility	EPA Region 6
G01012	ARCO CANAL SITE - G01012	\$380,000	Facility	Chicago-33247
N01023	S.J. IIES TANK BATTERY #1	\$375,000	Facility	EPA Region 6
N01020	SABINE GAS DEQUINCY TANK BATTE	\$373,000	Facility	EPA Region 6
N01052	PARLIN OIL FIELD - N01052	\$373,000	Facility	EPA Region 4
N01074	FAIRWAY MIN LAWHON SWD #14	\$370,000	Facility	EPA Region 6
N01440	FAIRWAY MINERALS CORP-MILLER	\$364,700	Facility	EPA Region 6
N01207	RAINES OIL & GAS WELL #1	\$364,599	Facility	EPA Region 6
P01036	MYSTERY SPILL - P01036	\$360,000	Facility	Baltimore-73133
M01105	TARBALLS - M01105	\$350,000	Mystery	Miami-33215
<b>2002 Cases</b>				
A02005	SS J LUCKENBACH - A02005	\$19,593,549	Vessel	San Francisco-33260
G02AAA	MYSTERY SPILL - G02AAA	\$5,202,778	Mystery	Detroit-33250
E02504	LITTLE SCIOTO RIVER - E02504	\$4,250,000	Facility	EPA Region 5
E02414	PRYOR WELL BLOWOUT - E02414	\$2,553,777	Facility	EPA Region 4
E02507	GEMCO OIL WELLS - E02507	\$1,838,262	Facility	EPA Region 5
E02503	MYSTERY SPILL - E02503	\$1,650,000	Mystery	EPA Region 5
N02051	TIRE RECYCLING FAC - N02051	\$1,530,000	Facility	EPA Region 7
N02010	LAKE PONTCHARTRAIN - N02010	\$1,275,000	Facility	New Orleans-33292
M02AAT	MYSTERY - M02AAT	\$1,200,000	Mystery	Charleston-33233
N02001	LAKE PONTCHARTRAIN - N02001	\$1,120,000	Facility	New Orleans-33292
N02003	LAKE PONTCHARTRAIN - N02003	\$920,000	Facility	New Orleans-33292
N02002	LAKE PONTCHARTRAIN - N02002	\$896,000	Facility	New Orleans-33292
M02046	F/V TERESA LYNN - M02046	\$700,000	Vessel	Miami-33215
H02AAA	T/V INSIKO - H02AAA	\$700,000	Vessel	Honolulu-33275
S02AAL	SEATTLE MARINA FIRE - S02AAL	\$700,000	Vessel	Puget Sound-33271
N02009	LAKE PONTCHARTRAIN - N02009	\$610,000	Facility	New Orleans-33292
E023AE	DOMINION TRANS FARM - E023AE	\$610,000	Facility	EPA Region 3
J02AAN	M/V QANIRTUUQ PRINCESS - J02AAN	\$500,000	Vessel	Anchorage-33280
M02045	F/V BLIND FAITH - M02045	\$400,000	Vessel	Miami-33215
E02131	AMERICAN TISSUE MILLS - E02131	\$370,000	Facility	EPA Region 1
P02080	TUG SWIFT - P02080	\$350,000	Vessel	Baltimore-73133





# Natural Resource Damage (NRD) Claims

While the NPFC has provided (and will continue to provide) limited funding to trustees to initiate NRDAs, until the summer of 1999 it did not pay NRD claims. Rather, the NPFC relied on a Comptroller General opinion, issued in late 1995, that OPA provided for payment of NRD claims from the OSLTF only by appropriation. In late 1997, the DOJ Office of Legal Counsel made a determination that natural resource damages are payable from the OSLTF without further appropriation, like other OPA damage and removal cost claims. NPFC organized and established an NRD Claims Division to adjudicate and pay NRD claims, the first of which was paid in September 1999.

Under OPA, "natural resources" include land, fish, wildlife, biota, air, water, groundwater, drinking water supplies, and other such resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the U.S. (including resources of the exclusive economic zone), any state or local government or Indian tribe, or any foreign government.

Federal, state, Indian, and foreign trustees are designated pursuant to OPA. Federal trustees are designated by the President; the governor of each state shall designate state and local officials as state trustees. The head of a foreign government may designate the trustee who shall act on behalf of that government. The governing body of any Indian tribe shall designate tribal officials who may act on behalf of the tribe or its members. Further, the Indian tribe must be recognized as eligible for the special programs and services provided by the U.S. because of their status as Indians, and must have governmental authority over lands belonging to or controlled by the tribe.

Only designated trustees may submit OPA NRD claims. Notice of designation should be provided to the NPFC to establish the authority of the claimant who is submitting the claim.

The threshold procedure for submission of the claim to the NPFC is the same for trustees as it is for other claimants. For example, the NRD claim the trustee presents to the NPFC for payment from the OSLTF must first have been presented to the RP or its guarantor.

Under OPA, the trustees assess natural resource damages, and develop and implement plans to restore damaged natural resources. The costs of damage assessment and restoration must be determined with respect to plans adopted by the trustee. These plans must be developed and implemented only after adequate public notice, opportunity for a hearing, and consideration of all public comment.

To file an NRD claim with the NPFC, the Statute of Limitations (SOL) under OPA is whichever is later: three years from the date the injury and connection with the discharge was reasonably discovered with due care, or three years from the date an assessment is completed in accordance with the damage assessment regulations published by NOAA Title 15 Code of Federal Regulations Part 990.

Following the U.S. Comptroller General's decision that the NPFC could not adjudicate claims for natural resource damages under OPA, any NRD claims previously received were rejected or are being held at the NPFC. If those rejected claims were originally submitted within the SOL, they can be resubmitted for adjudication.



# Agency Appropriations

For FY98-FY02, the Federal agencies shown in the table to the right have requested and received Congressional approval for appropriations from the OSLTF to cover certain administrative, operational, and personnel costs. Included in these appropriations is the funding to conduct some tasks cited in Title VII of OPA, to develop a comprehensive oil pollution research and development program.

In FY97, Congress amended OPA to provide funding for the Prince William Sound Oil Spill Recovery Institute (PWS OSRI) from the interest earned on \$22.5 million of TAPS monies previously transferred to the OSLTF. This funding will continue for the next 10 years, based on the interest earned annually. A similar Congressional action provided funding to the Denali Commission starting in FY00 and continuing indefinitely. The funding is the interest earned on the final \$182 million transferred from the TAPS Fund.

## Agency Appropriations FY98-02

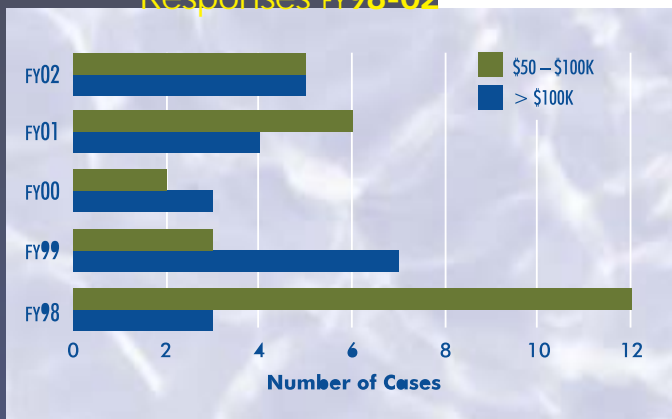
1998	CG	\$ 50,869,670
	EPA	\$ 15,000,000
	MMS	\$ 6,118,000
	RSPA	\$ 3,300,000
	Treasury	\$ 18,650
	PWS OSRI	\$ 1,209,550
1999	CG	\$ 48,004,789
	EPA	\$ 14,777,509
	MMS	\$ 6,118,000
	RSPA	\$ 4,248,000
	Treasury	\$ 39,209
	PWS OSRI	\$ 1,181,725
2000	CG	\$ 48,500,000
	EPA	\$ 14,974,400
	MMS	\$ 6,118,000
	RSPA	\$ 5,479,000
	Treasury	\$ 2,141
	PWS OSRI	\$ 982,281
	Denali Comm.	\$ 5,475,967
2001	CG	\$ 48,393,300
	EPA	\$ 14,967,000
	MMS/DOC	\$ 11,104,540
	RSPA	\$ 7,471,528
	Treasury	\$ 22,254
	PWS OSRI	\$ 1,203,439
	Denali Comm.	\$ 11,360,875
2002	CG	\$ 48,437,000
	EPA	\$ 15,000,000
	MMS	\$ 6,105,000
	RSPA	\$ 4,864,000
	Treasury	\$ 40,954
	PWS OSRI	\$ 1,147,258
	Denali Comm.	\$ 11,360,875

# USCG Superfund Use

## History

CERCLA established the Superfund to provide monies to identify, prioritize, and clean up the nation's uncontrolled hazardous waste sites. The Superfund, administered by EPA, was created as an important CERCLA component to give the Federal government flexibility in identifying and addressing potentially harmful releases of hazardous substances. The Superfund provides the funds that enable Federal agencies to respond immediately to hazardous substance releases and contamination problems that pose a threat to public health and the environment. Removal costs are recovered from the RP(s) by EPA.

Large USCG CERCLA Responses FY98-02



## Coast Guard CERCLA Responses

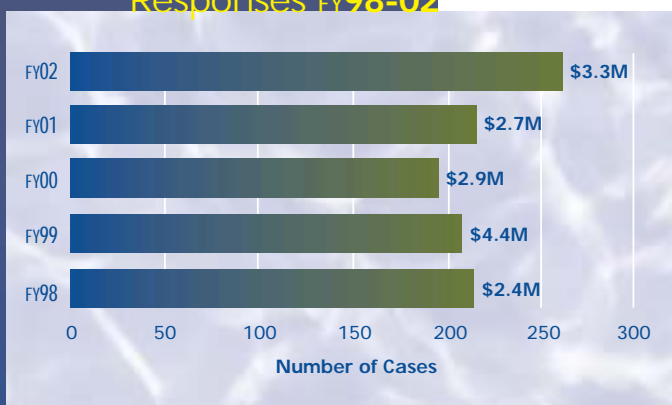
Since August 1981, USCG FOSC's have responded to any actual or potentially hazardous chemical release in the coastal zone, the Great Lakes, and inland river ports as designated in the NCP. USCG Strike Teams provide response support as a designated national resource available to any FOSC conducting removal operations anywhere in the U.S., its territories, and possessions.

Since its establishment, NPFC has served as the fiduciary agent for the portion of Superfund used by USCG. These funds are provided to USCG through IAGs with EPA and are used for the ongoing costs of building and maintaining response capabilities, including personnel costs and the costs incurred in removal operations following a CERCLA incident.

The CERCLA MOU between USCG and EPA signed in 1994 specifies the overall funding and coordination mechanism employed by the two agencies. This MOU is the tangible evidence of NPFC's commitment to the cultivation of productive relationships with other Federal agencies that are suppliers or users of pollution funds.

The number of Coast Guard responses to hazardous chemical releases is a function of public awareness of the danger and environmental impact of these releases and the development of procedures and funding mechanisms that provide CG FOSCs and Strike Teams easier access to CERCLA funds. The number of releases the Coast Guard responds to as well as the actual costs fluctuates, more as a function of the size of the individual release than the number of releases in any given year.

USCG CERCLA Responses FY98-02



In FY02, as the Coast Guard responded to threats and incidents in the aftermath of the events of September 11, Coast Guard FOSCs used CERCLA funds to mobilize response forces, primarily the Coast Guard Strike Teams, for a small number of cases. Three of these cases involved Coast Guard FOSCs responding to threats or incidents related to Homeland Security. Additionally, the Coast Guard Atlantic Strike Team supported EPA Region 3 during the anthrax contamination of the Hart Senate Office Building in Washington, DC, at a cost of nearly \$1 million. At the same time, the Coast Guard Gulf Strike Team supported EPA Region 4 on the anthrax response in Boca Raton, FL, at a cost of \$125,000.

# Vessel Financial Responsibility Certification

The U.S. depends on marine transportation for the majority of its imports and exports, including chemical- and petroleum-based products. Spills can and do occur from all types of vessels, not just tankers. Section 1016 of OPA requires vessels over 300 gross tons, using any place subject to U.S. jurisdiction, or any size vessel using the waters of the exclusive economic zone to transship or lighter oil destined for a place subject to U.S. jurisdiction, to provide evidence of financial responsibility to satisfy claims for removal costs and damages up to the statutory limits. The primary goals of NPFC's COFR program are to ensure that RPs are identified and held financially responsible to the full extent of the law for any expenses involved in dealing with any specific vessel water pollution incident. This certification is accomplished by issuing a COFR to vessel operators who have demonstrated adequate evidence of financial responsibility as established by law.

The vessel limits of liability under OPA are—

- For tank vessels 3,000 gross tons or less, the greater of \$2,000,000 or \$1,200 per gross ton
- For tank vessels greater than 3,000 gross tons, the greater of \$10,000,000 or \$1,200 per gross ton
- For any other vessel, \$600 per gross ton or \$500,000, whichever is greater

Additional amounts are also applicable under CERCLA—

- For any vessel over 300 gross tons carrying hazardous substance as cargo, the greater of \$5,000,000 or \$300 per gross ton
- For any other vessel over 300 gross tons, the greater of \$500,000 or \$300 per gross ton

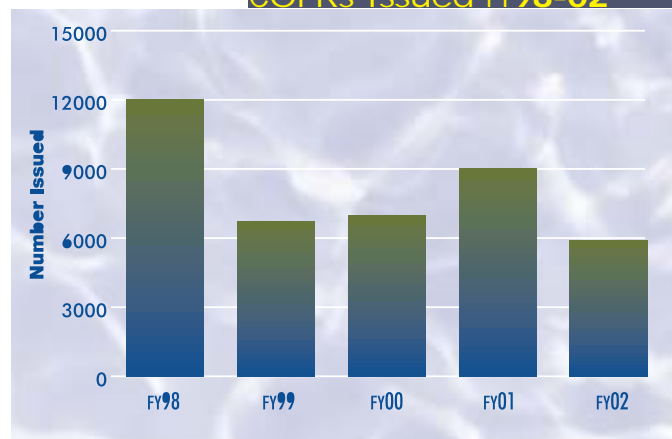
Failure to establish acceptable evidence of financial responsibility, documented by a COFR, may result in prevention or cessation of operation, vessel detainment, denial of entry to a U.S. port, a civil penalty of up to \$27,500 per day of violation, or seizure and forfeiture of the vessel. The law does not apply to public vessels. The financial responsibility requirements also do not apply to non-self-propelled barges carrying no oil as cargo or fuel or hazardous substances as cargo.

The graph to the center right shows the number of COFRs issued from FY98–FY02. The larger numbers in FY98 and FY 01 reflect the renewal of the initial COFRs from the OPA implementation in FY95 (COFRs are issued for three years).

There are currently about 19,000 valid COFRs issued to vessel operators. The NPFC processes thousands of COFR transactions each year, including new issues, name changes, renewals, and revocations. The table on the right illustrates the number of valid COFRs by vessel type at the end of FY01 and FY02.



COFRs Issued FY98-02



## COFRs Currently Valid

Vessel Type	2001	2002
Dry Cargo	8,056	7,952
Tanker	2,464	2,537
Tank Barge	3,948	4,051
MODU	310	296
Passenger	529	533
Fishing	1,204	1,176
Utility	2,411	2,354
<b>TOTAL</b>	<b>18,922</b>	<b>18,899</b>

## User Fee Receipts FY98-02



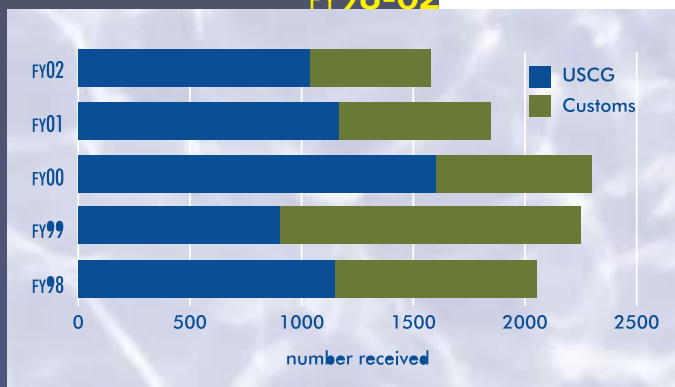
## User Fee Receipts

User fees are the charges that vessel operators must pay the USCG for processing their application and issuing the COFR. The graph to the left shows the user fees collected from FY98–FY02. User fees are dramatically higher in FY98 and FY01 due to the larger number of 3-year COFR renewals following the initial implementation in FY95.

## Vessel Enforcement Inquiries

A primary function of the Vessel Financial Responsibility Certification Program is answering compliance inquiries from the field. Thousands of calls per year are received from USCG and U.S. Customs field offices, as well as approximately 300 inquiries from the Louisiana Offshore Oil Port (LOOP). Enforcement inquiries result from random samplings of vessels in transit, entries found in the USCG Marine Safety Network (MSN), irregularities found on inspection, and discrepancies in information provided by ships' agents and representatives. The USCG routinely checks for COFRs when vessels enter U.S. waters, sail coastwise, or are inspected. U.S. Customs checks for COFRs when vessels leave U.S. waters. In an effort to increase awareness of COFR requirements among USCG field personnel, representatives from Vessel Certification have visited USCG Marine Safety Offices (MSOs) in most major U.S. ports to provide onsite guidance and instruction.

## Compliance Calls FY98-02



FY02 marked the debut of the E-COFR Web site ([www.npfc.gov/cofr](http://www.npfc.gov/cofr)). This site allows the international shipping and insurance communities to perform the application process on-line, including submitting payment via a credit card. This is in addition to the existing functions available on the COFR Web site, including the ability to check on the status of COFRs as well as download applications and other informational materials. The COFR staff also can be contacted via E-mail from the Web site. This site is updated every hour so that the shipping community (e.g., in the Far East) has access to current information during their workday. The NPFC averages over 13,000 hits per month on this Web site.





# Outreach

NPFC has a dynamic Outreach Program designed to meet the demands of various customers in the environmental response and maritime communities. These customers include USCG and EPA oil spill response personnel; other government agencies; Federal, state, and Indian natural resource trustees; the maritime industry; the fishing vessel community; international organizations; and the general public.

## Outreach Initiatives

NPFC's guiding principle in the execution of its Outreach Program is "helping our customers get the right thing done the first time." NPFC acts on this principle through a wide variety of published guidance materials and other innovative outreach initiatives. NPFC also continuously strives to develop new and creative methods to meet customers' specific needs. The following summarizes NPFC's outreach efforts over the past two fiscal years:

- In FY01 and FY02, the NPFC continued to provide its diverse customers the opportunity to learn more about OPA, OSLTF, and NPFC's missions through its well-received funds use seminars. These customers represent Federal and state response agencies, natural resource trustees, oil spill response organizations, RPs, and the marine transportation industry. In 2001, the seminar was held in Portland, OR. This seminar was also the public roll-out of the FOSC Finance and Resource Management Field Guide (FFARM) Exportable Training developed jointly by NPFC, Office of Response, National Strike Force, MLCLANT, MLCPAC, the Marine Safety Schools/Training Center Yorktown, Office of General Law, and the Finance and Procurement Directorate. In 2002, seminar attendees traveled to Salt Lake City, UT, where concurrent sessions included training for USCG (FFARM); EPA FOSC issues; state, oil spill response organizations, and RPs for claims and marine industry issues; and NRD claims issues. The NPFC User Reference Guide, in paper and CD-ROM versions, was distributed to attendees at both seminars. Post-seminar surveys continued to show overwhelming support and enthusiasm for these seminars. In particular, attendees stress the benefits of the interaction among the broad spectrum of the NPFC customers and presenters.
- The NPFC Exhibit Booth was used in a wide variety of venues to disseminate outreach materials and facilitate educational interaction concerning NPFC roles and missions. During FY01, the venues included: Clean Gulf Conference & Exhibition (New Orleans, LA); USCG Training Center (Yorktown, VA); Biennial Department of the Interior Environmental Conference (Albuquerque, NM); 2001 International Oil Spill Conference (Tampa, FL); and the 2001 NPFC Funds Use Seminar (Portland, OR). During FY02, the venues included the: Clean Gulf Conference & Exhibition (Mobile, AL); EPA Region III Hazardous Materials Conference (Baltimore, MD); Alaska Forum on the Environment (Anchorage, AK); USCG Training Center (Yorktown, VA); Commandant's State of USCG Address (debut of the new NPFC exhibit booth); NRD Trustee Seminar (Rosslyn, VA); 2002 NPFC Funds Use Seminar (Salt Lake City, UT); and the EPA Outreach Conference (Washington, DC).

The Outreach Program is designed to provide NPFC customers with information on—

- NPFC missions and functions
- Various ways to gain access to the OSLTF
- Specific requirements for cost documentation to support cost recovery efforts
- Process for submitting a claim to NPFC
- Eligibility for compensation
- Information on owner and operator financial responsibilities and limits of liability under OPA
- General information concerning Title I of OPA





- In FY 2002, the NPFC played a pivotal role in the Spill of National Significance (SONS) drill that was held in New Orleans, LA. In addition to an executive overview briefing on the OSLTF to a select group of Federal dignitaries, the NPFC supplied information to drill participants on COFR data, general funding information, Fund burn rate projections based on each of the SONS scenarios for the oil spills and hazardous materials releases, and information on payment of third party claims.
- During FY01 and FY02, the NPFC presented over 20 high-level briefings to other headquarters commands, as well as to foreign dignitaries such as the Chinese Oil Spill Management Delegation and a large delegation from various oil producing areas in Russia and the Commonwealth of Independent States (in concert with the Department of Commerce's Special American Business Internship Training Program).
- The NPFC was pleased to introduce its new brochures in FY02. The entire brochure suite includes a general brochure, as well as stand-alone brochures for the NRD, COFR, Claims, and Case Management divisions.



# NPFC Guidance Materials

The NPFC has an extensive library of guidance materials, including four **Technical Operating Procedures (TOPs)**, which provide customers with a wealth of information on the NPFC, its roles and missions, and Fund access and use. To request any guidance materials, please call (202) 493-6999, or visit the NPFC Web site at <http://www.uscg.mil/hq/npfc>. The following summarizes the available materials:

- The **NPFC User Reference Guide** serves as a single-source book for anyone who may need to gain access to OSLTF or the portion of Superfund accessible to USCG. The User Reference Guide contains all of the TOPs listed below, and many other OSLTF access and financial management references. It is distributed both as a three-ring binder paper copy and as a CD-ROM.
- The **TOPs** serve as USCG guidelines for Fund users. They provide an efficient means to compile and submit documentation. All NPFC TOPs are updated regularly and are consolidated in the *NPFC User Reference Guide*. A brief description of each TOPs is provided below—
  - **Removal Cost TOPs** provide clear guidelines to determine valid and necessary removal costs for a substantial threat or an actual oil discharge
  - **Resource Documentation TOPs** assist FOSCs in documenting and reporting resources associated with removal activities
  - **State Access TOPs** describe the procedures for states to access the OSLTF, including requirements for documenting expenses, investigative requirements, and submitting documents for reimbursement
  - **Designation of Source TOPs** aid FOSCs in conducting investigations to identify sources of a substantial threat or actual discharge of oil, duly notifying the RPs and their guarantors, and designating the source so that claimants may submit their claims to the RPs
- The **NPFC Brochure** was completely redesigned in FY02. The brochure suite now includes a general information brochure on NPFC, as well as individual brochures for the NRD, COFR, Claims, and Case Management divisions. All the brochures are designed to stand alone or to have the divisional brochures fit into a pocket in the general brochure to provide a complete information package on the organization.
- The **NPFC Year in Review** provides a biennial overview of NPFC operations and OSLTF use since its inception on February 20, 1991, and for each Fiscal Year thereafter. This edition is the ninth published Year in Review.
- The **Claimant's Information Guide** provides information to potential claimants on how to file claims and what types of claims may be submitted. An extensive review and rewrite of this Guide was undertaken in FY02 with publication scheduled for FY03.
- The **Natural Resource Damage Funding Guidelines** represent a major rewrite during FY01 of the previously published Natural Resource Damages Claimant's Information Guide. This document provides guidance to trustees in preparing and submitting NRD claims and Initiate Requests to the NPFC.
- The **NPFC COFR Field Guidance** serves as a reference guide for USCG field personnel and contains information on various aspects of the COFR program, including how to obtain a COFR, history, forms, current rulemakings, etc.



# Program Initiatives

## Strategic Business Plan (SBP)

After extensive developmental effort and review among all NPFC Divisions, a re-designed NPFC Strategic Business Plan (SBP) was rolled out in 2001. A system of reporting and record keeping has been developed, i.e., divisional project tracking reports are tied to corresponding sections of the SBP. Summary overviews and status checks are scheduled on a quarterly basis to ensure that the Plan continually remains aligned with NPFC, USCG, and U.S. Department of Transportation (DOT) goals.

## Case Management

The Ceiling and Number Assignment Processing System (CANAPS) is a new function implemented in 2002 which enables USCG and EPA FOSCs to electronically establish Federal Project Numbers and budget ceilings for pollution response. FOSCs merely log onto NPFC's Web site, enter their password and required incident data, and are electronically issued a Federal Project Number (oil) or CERCLA Project Number (hazardous substances) and a funding ceiling for the response. This capability eliminates the need for District personnel to perform this function on a 24/7 basis.

Starting in early FY01, NPFC, in collaboration with the Coast Guard Office of Response (G-MOR) developed a series of MS PowerPoint exportable training modules, which were taught in conjunction with the annual NPFC Funds Use Seminars and during case management field visits. As the NPFC continues to assist FOSCs in their role as protectors of the nation's navigable waters from pollution, valuable "how to" financial management information will be incorporated into a new edition of the FFARM Field Guide, now under development.

## Claims

The Claims Processing System (CPS), a state-of-the-art Web-based management information system developed to track all claims-related activities, was introduced in December 2000. CPS was selected as a finalist for the 2002 Federal CIO Council "Excellence in Government" Award. This award recognizes innovative programs across the public sector that achieve results and make genuine improvements in government processes and services. Improvements to NPFC's claims processing system include better data integrity and search capability, streamlined data entry, and integrated workflow and document management features. In addition, the Web-based architecture allows the system to integrate seamlessly with other USCG applications and provides the technical framework for development of future systems.

The Removal Claims Branch plans to expand its program for expediting claims for uncompensated removal costs from state governments to allow states to more quickly and efficiently respond to long-term response efforts.

## NRD Claims

Through 2001 and into 2002, the NRD Claims Division continued to expand and improve services to their customers in many areas, including planning for and conducting a nationwide NRD Trustee Seminar and taking over administrative responsibility for the INRDA funding at NPFC. The NRD Claims Division continues to see an increase in NRD claims submitted and will continue to strive for timely adjudication of these claims.

## Vessel Certification

The Vessel Certification Division continues to be a model for leveraging technology to improve the connection between the worldwide maritime community and the Government. The NPFC introduced a system for electronic filing of COFR applications and user fees during FY02 called E-COFR, and is continuing to work on making all other COFR-related transactions available on-line. E-COFR was developed as a component of pay.gov, a Treasury Department initiative that will eventually enable Web-based electronic billing and payment of a wide variety of financial transactions such as claims payments and payments from RPs.

## Customer Services

Over the course of FY01 and FY02, the Customer Services Division continued its efforts to expand the scope of services offered. For internal customers, a "Help Desk" suite was created to facilitate in-house response to facility, outreach assistance, meeting space, and other miscellaneous support functions. For external customers, the Division continued to provide training opportunities for NPFC's broad customer base through its seminar programs, as well as participation in a variety of other high-profile venues through use of the new NPFC exhibit booth.



# NPFC On-Line

## A Nimble Architecture

NPFC has long recognized the power of Web technologies to communicate with customers quickly, easily, and effectively; and NPFC shares the Commandant's vision of an eCoast Guard that is "fundamentally innovative, nimble, and technologically empowered." At a time when many other agencies and even private companies are just beginning to recognize the possibilities of Web services and XML technology, NPFC already has a mature architectural platform and development model built on these standards. As a result, NPFC is able to design, develop, and deploy systems quickly and effectively by working with its customers' requirements and meeting them at the next level of accessibility, including the ability to receive and send information using laptops, PDAs, or even cell phones from the field.

NPFC's flexible and vibrant Web services enhance communication to, from, and between all its customers. Our customers include personnel working in the office, USCG or EPA FOSCs cleaning up oil spills on remote beaches, Federal agencies tracking government expenditures and payments in their own automated systems, boarding officers validating certificates on vessels, NRD trustees filing claims in states or territories, private citizens seeking claimant information from their home computer, or COFR applicants updating their profile from the other side of the globe.

## An Internal Portal

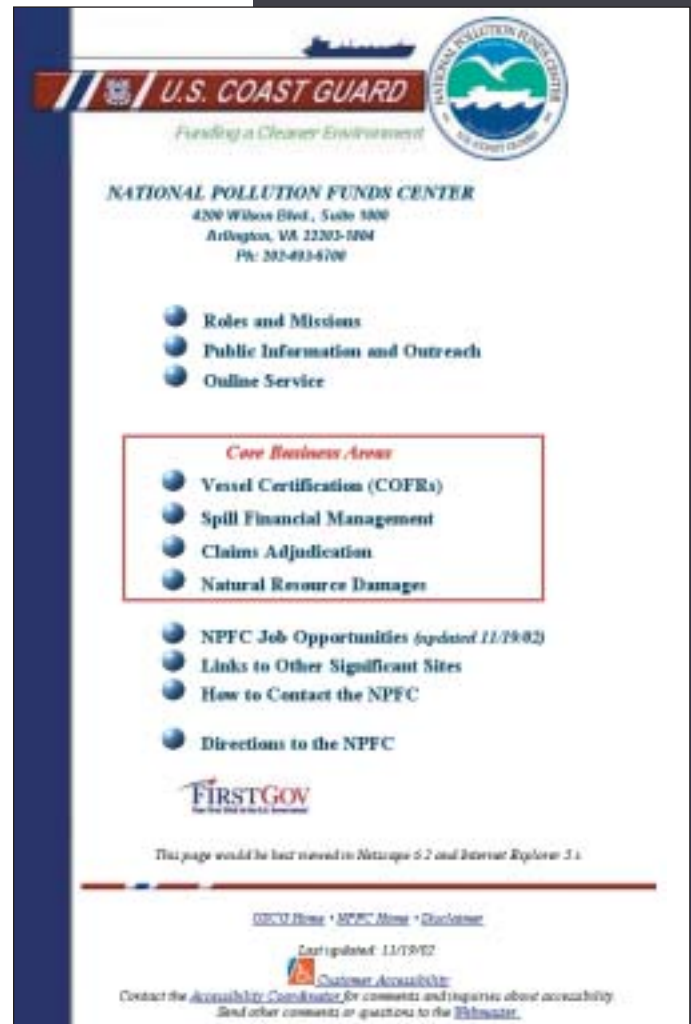
NPFC architecture also provides the platform for the unit's intranet site, NPFC Executive Information System (NEIS), by which all NPFC employees have direct access to NPFC's SBP, internal standard operating procedures, USCG and NPFC instructions, executive information, policy and legal guidance, program reports, relevant news items, and other shared data. It provides the capability for NPFC's management staff to measure and analyze data for the purposes of performance statistics, internal and external reporting, Inspector General, GAO, and other audit preparation, and workload reallocation and distribution.



## An e-Gov Model

NPFC's Web services architecture allowed it to anticipate the President's e-Gov mandate to make government more accessible to all Americans. The NPFC's Web site, [www.uscg.mil/hq/npfc](http://www.uscg.mil/hq/npfc), supports thousands of customers in the environmental response and marine insurance communities by providing Web-based access to information as well as interactive applications available 24/7. It provides solutions for private citizens, industry, and government agencies, whether they have the latest information technologies or the least connectivity and computer experience.

- NPFC's Web site includes a broad range of automated and printable forms, regulations, instructions, policies, procedures, and field guides used by government personnel and the public in conducting business with NPFC. The site's newest addition is an electronic copy of the User Reference Guide, which enables NPFC customers to locate the most recent guidance for understanding and accessing OSLTF.
- NPFC's CANAPS automates the process of establishing Federal Project Numbers and budget ceilings for pollution response. It is accessible to both USCG and EPA FOSCs and is integrated with the Coast Guard Messaging System (CGMS) as well as NPFC's internal Financials application. Because CANAPS eliminated the need to be assigned a project number and ceiling manually, the system has resulted in a five-fold productivity increase.
- Similarly, NPFC has enhanced its E-COFR system, which allows the marine vessel community to submit or update and pay for Certificates of Financial Responsibility on-line. NPFC developed this system jointly with the Department of Treasury to track and validate the financial transactions as well as provide automatic updates to NPFC's COFR database. In addition, the E-COFR system allows USCG and U.S. Customs COFR enforcement field personnel to secure America's coastline by providing immediate access to the COFR status of over 19,000 vessels.
- NPFC's strategic architecture readily allows data exchange with other agencies' systems. Data are uploaded nightly into the Marine Information For Safety & Law Enforcement (MISLE) to provide timely information to CG field personnel for COFR enforcement purposes. NPFC downloads Departmental core accounting system obligations and expense information nightly through the Management Information & Resources (MIR) system to electronically synchronize its pollution spending records.



# NPFC Assists During 9-11 Response



On September 12, 2001, NPFC commenced 15 months of effort supporting USCG response to the World Trade Center terrorist attack.

- An NPFC Finance team, led by Allen Thuring, coordinated the first transfer of Stafford Act Funds from FEMA to USCG and guided local USCG units in New York City as they established cost documentation systems. Working with program, finance, and procurement personnel from USCG units in Norfolk, VA; Elizabeth City, NC; Fort Dix, NJ; Boston, MA; and New York City, the NPFC ensured fiscal support was available to the USCG units responding – including USCG Activities New York and the Atlantic Strike Team. For his work, Mr. Thuring received a national Meritorious Award from the American Society of Military Comptrollers at their 2002 National Conference – the first such award made to an NPFC employee since its founding in 1991.



- Miguel Bella, an NPFC Case Officer, conducted a one-month temporary duty deployment starting September 21, 2001, as the Finance Section Chief of the massive combined federal recovery efforts mobilized in the wake of the World Trade Center attack. In this role, he was instrumental in setting up the cost documentation processes that would carry this joint USCG- and EPA-led group through to completion of their work in the Spring of 2002. Mr. Bella helped manage over \$30 million in FEMA ESF-10 funds earmarked to deal with the hazardous materials and oil pollution aspects of the cleanup effort at the WTC “Ground Zero” site. He also managed the cost accounting function for the more than 100 USCG response personnel who assessed the environmental hazards from

asbestos, petroleum products, toxic gases, and human remains; conducted air monitoring; and cleared buildings in the Financial District so that the world’s leading financial market could return to operation within a short time after this disaster. These efforts involved continuing close coordination with both FEMA and EPA Region 2, since the response was conducted under the Federal Response Plan and paid using Stafford Act funds. Finally, the NPFC assisted the USCG Finance Center as it billed EPA and FEMA for all direct costs allowable under the Federal Response Plan. At the end of the response, USCG incurred over \$32.5M in costs — the third largest pollution response effort in USCG history.

This significant effort has provided USCG and NPFC with valuable experience as USCG moves into the realm of Homeland Security and its attendant challenges.

# Glossary of Terms

ACOE	U.S. Army Corps of Engineers
CANAPS	Ceiling and Number Assignment Processing System
CGD	U.S. Coast Guard District
CERCLA	Comprehensive Environmental Response, Compensation and Liability Act of 1980
CGMS	Coast Guard Messaging System
COFR	Certificate of Financial Responsibility
COTP	Captain of the Port
CPS	Claims Processing System
DAFIS	Departmental Accounting and Financial Information System
DOJ	U.S. Department of Justice
DOT	U.S. Department of Transportation
EPA	U.S. Environmental Protection Agency
ECSC	Electronic Commerce Steering Committee
FEMA	Federal Emergency Management Agency
FFARM	FOSC Finance and Resource Management Field Guide
FLAT	Federal Lead Administrative Trustee
FOSC	Federal On-Scene Coordinator
FWPCA	Federal Water Pollution Control Act
FY	Fiscal Year
G-MOR	Coast Guard Office of Response
IAG	Inter-Agency Agreement
INRDA	Initiation of Natural Resource Damage Assessment
LOOP	Louisiana Offshore Oil Port
MIR	Management Information Resources
MISLE	Marine Information for Safety and Law Enforcement
MOU	Memorandum of Understanding
MSN	Marine Safety Network
MSO	Marine Safety Office
NCP	National Contingency Plan (40 CFR 300)
NEIS	NPFC Executive Information System
NEMIS	NPFC Expert Management Information System
NOAA	National Oceanic and Atmospheric Administration
NPFC	National Pollution Funds Center
NRD	Natural Resource Damage
NRDA	Natural Resource Damage Assessment
NWG	Natural Working Group
OPA	Oil Pollution Act of 1990
OSLTF	Oil Spill Liability Trust Fund (the Fund)
PWS OSRI	Prince William Sound Oil Spill Recovery Institute
RP	Responsible Party
SBP	Strategic Business Plan
SOL	Statute of Limitations
SONS	Spill of National Significance
Superfund	Hazardous Substance Response Trust Fund
SUPSALV	U.S. Navy/Supervisor of Salvage
TAPS	Trans Alaska Pipeline System Liability Fund
TOPs	Technical Operating Procedures
USCG	U.S. Coast Guard



# Senior Management

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# Case Management Teams

## Contact Information

### Team I (202) 493-6723

Responsible for most of the U.S. Coast Guard District 8 (CGD8) and EPA Regions VI and VII. Includes: Texas, New Mexico, Louisiana, Arkansas, Oklahoma, Missouri, Kansas, Nebraska, Iowa, and Captain of the Port (COTP) Mobile zones. Does not include CGD8 Mobile, Memphis, Paducah, Louisville, Huntington, and Pittsburgh COTP zones.



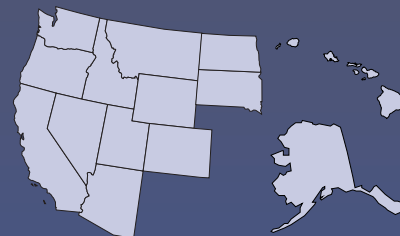
### Team II (202) 493-6726

Responsible for CGD7, portions of CGD5 and CGD8; EPA Region II (Caribbean Section) and EPA Region IV. Includes CGD8 Mobile, Memphis, Paducah, Louisville, Huntington, and Pittsburgh COTP zones; CGD5 Hampton Roads and Wilmington COTP zones; Virgin Islands, Puerto Rico, Florida, Georgia, South Carolina, Tennessee, North Carolina, Kentucky, Alabama, Mississippi, Virginia (COTP Hampton Roads zone only), and Pennsylvania (COTP Pittsburgh zone only).



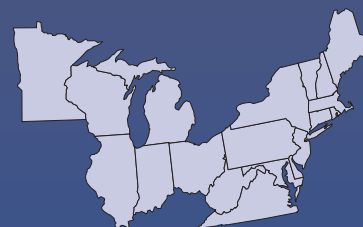
### Team III (202) 493-6729

Responsible for CGD11, CGD13, CGD14, CGD17, and EPA Regions VIII, IX, & X. Includes: Arizona, California, Nevada, Utah, Colorado, North Dakota, South Dakota, Wyoming, Montana, Idaho, Washington, Oregon, Alaska, Hawaii, Guam, and American Samoa.



### Team IV (202) 493-6732

Responsible for CGD1, CGD9, portions of CGD5, and EPA Regions I, II, III, and V. Includes CGD5 COTP Philadelphia and Baltimore zones; Minnesota, Michigan, Wisconsin, Illinois, Indiana, Ohio, New York, Vermont, New Hampshire, New Jersey, Connecticut, Rhode Island, Massachusetts, Maine, Virginia (less COTP Hampton Roads zone), West Virginia, Pennsylvania (less COTP Pittsburgh zone), Maryland, Delaware, and Washington, D.C.



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**NPFC On-line @ [www.uscg.mil/npfc](http://www.uscg.mil/npfc)**





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